GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2897
ANSWERED ON:15.03.2016
FRP for Sugarcane
Patil Shri Kapil Moreshwar;Singh Shri Hukum;Yeddyurappa Shri B. S.

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has made any estimate regarding the amount of sugarcane dues pending against the sugar mills in the country including Maharashtra and Uttar Pradesh;
(b) if so, the details and the outcome thereof indicating the total amount paid and pending against the sugar mills during each of the last three years and the current year along with the reasons for pendency State-wise;
(c) whether the Government proposes to provide any package to improve the condition of sugar mills and ensure timely payment of sugarcane dues and if so, the details thereof;
(d) whether the Government proposes to provide incentives including increase in buffer stocks to help the mills, if so, the details thereof indicating the additional funds required for the purpose; and
(e) the action plan of the Government to ensure that the benefits of various welfare measures including waiving of loans reach the sugarcane farmers?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)
(a) & (b): The position regarding cane price dues of farmers in all the sugarcane producing States is monitored regularly on actual basis. The state-wise details of the amount paid to farmers and pending against sugar mills during each of the last three and current sugar seasons is Annexed. Due to surplus sugar production during the last four consecutive sugar seasons over domestic consumption and depressed sugar prices, the liquidity of the sugar mills have been adversely affected leading to accumulation of cane price arrears of the farmers.
...2/-
...2...
(c) & (d): In order to improve the liquidity position of the sugar mills enabling them to make timely payment of sugarcane dues, the Government has extended financial assistance in the form of soft loan, incentive on raw sugar export and performance based production subsidy scheme. There is no new proposal under consideration of the Government to provide any package/incentive including creation of buffer stocks.
(e): There is no plan under consideration of the Government to waive off loan provided to the sugar mills. The financial assistance provided by the Government are utilised to facilitate liquidation of cane price arrears of farmers. This is ensured through submission of utilisation certificates by sugar mills duly verified by State Governments.
****